

INVESTMENT FORUM AGENDA FOR WEDNESDAY, April 11, 2018 11:50AM,

TALLWOOD, TA-1

The Spring Term runs through May 16

Market Perspective. Another wild week, with big moves both ways, mostly in response to the latest tariff threats by the US or China. For the week, all three averages were down: the DOW down 0.7%; the S&P down 1.4%; and the NASDAQ down 2.1%. All three are now down YTD, and the DOW and S&P are in correction territory.

Buy/Sell List. My thanks to Alan Glenn and Charles Murphy and Ed Swoboda for their insightful comments on their recent stock selections. We will continue that discussion this week, adding buys and sells from last week.

Don Ferrett was the buyer of four mutual funds on the list (SCHD, SCHB, VIG, and GIS) and he has provided a schedule of the metrics that he uses for fund selection.

I will look under the hood of another mutual fund on the list, T Rowe Price Floating Rate Fund (PRFRX).

Upcoming Topics

April 18. Tax Reform. Brenda Bloch-Young will discuss the implications of the tax bill for the corporations we typically invest in. (This is the topic scheduled for February 7 and March 21, but was postponed both times as OLLI was closed for weather.) While the Tax Cuts and Jobs Act reduced the statutory corporate tax rate from 35% to 21%, many multinational corporations we invest in already had a lower tax rate. In particular, technology and pharmaceutical companies based on their ability under the old law to transfer the value of intellectual property abroad. The new law has provisions that attempt to limit this practice. The benefit of the tax cuts will be mixed. While many of the details (actual regulations) have not been released yet, there are some interpretations of what the intent was when the bill was passed.

Since this discussion was first prepared, more interpretations and analyses have been released. We will look at how the law impacts the 13 stock sectors based on Wall Street Journal and Bloomberg Tax.

April 25. International Stocks and Funds. James Dann will look at international stocks and funds, which provided good returns in 2017. Is that likely to continue?

May 16. Stock Picking. Ingrid Hendershott, CFA, President of Hendershott Investments, will share her views on the market and stocks that she buys for her clients' portfolios. Ms. Hendershott has spoken to the Forum several times over the years.

Buys and Sells

Buys (from 3/28/2018, but not discussed last week)

General Electric (GE)

Visa (V)

SPDR S&P Aerospace & Defense ETF (XAR)

MVB Financial (MV) - bank. MC: \$208M. (possible error on list)

Dominion Energy (D)

Procter & Gamble (PG)

General Mills (GIS) - 2 buys

Schwab US Broad Market ETF (SCHB) - add to

Schwab US Dividend Equity ETF (SCHD) - add to

Vanguard Dividend Appreciation ETF (VIG) - add to

EPR Properties (EPR) - add to

Ventas (VTR)

T Rowe Price Floating Rate (PRFRX)

Buys (week of 4/4/2018)

Disney (DIS)

Dominion Energy (D) - 3 buys

Blackrock (BLK) - add to

Primecap Odyssey Growth Fund (POGRX)

General Dynamics (GD)

Vanguard S&P 500 ETF (VOO)

Tesla (TSLA)

Amazon (AMZN)

Align Technology (ALGN) - dental technology. MC: \$20B

AT&T (T) - add to

General Electric (GE)

Sells (week of 3/28/2018)

JD.Com (JD) - China e-commerce

Yum China Holdings (YUMC)

Tencent Holdings (TCEHY)

Spectra Energy Partners (SEP)

Raytheon (RTN)

T Rowe Price Large Cap Core Fund (TRULX)

T Rowe Price Equity Income (PRFDX)

Sells (week of 4/4/2018)

Tesla (TSLA)

Chipotle (CMG)

Omicron Group (OMC)

Thinking About . . .

Nvidia (NVDA)

Dropbox (DBX) - MC: \$12.3B

Paychex (PAYX)

Johnson & Johnson (JNJ)

General Electric (GE)

Shares Minimum Volatility EAFE ETF (EFAV)

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Al Smuzynski

Investment Forum Moderator

asmuzynski@verizon.net